



**WORKERS' COMP
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How to Coordinate

Human Resources & Workers' Compensation

Introduction: (5 minutes)

- Welcome to WC Mastery training
 - World has fundamentally changed post-pandemic
 - Manage company in a post-covid world
 - How managing workforce and set up for success: HR & WC programs
 - How we're attracting, engaging, managing, and impacting company culture
 - All factors impact, and are impacted by workers' compensation
 - Hybrid work model
 - Goal is Neo in the Matrix
 - All the puzzle pieces come together
 - Biggest Little Farm
 - Everything works together in harmony and beauty
- Introduce 3 Main Points:
 - HR Definitions & Scope
 - Staff Capacity & Management
 - Staff Engagement



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Main Point #1: HR Definitions & Scope

- HR Definition:
 - Maximize the productivity of an organization by optimizing the effectiveness of its employees.
 - Responsibility Areas:
 - Different people in larger organizations, silos in HR
 - Talent Management – Workforce Planning
 - Recruiting
 - Hiring
 - **Job descriptions**
 - **Job Placement**
 - On-Boarding
 - Supporting
 - Retaining
 - Replacing
 - Firing
 - Compensation and Benefits
 - Payroll
 - Benefits
 - 401(k)
 - **Training and Development**
 - Providing career growth
 - Offering continuing education
 - Training and supporting managers
 - Personal & professional development
 - HR Compliance
 - **Fair Labor Standards Act (FLSA)**
 - Family Medical Leave Act (FMLA)
 - **Equal Employment Opportunity (EEOC)**
 - Americans with Disabilities Act
 - Equal Pay Act
 - Pregnancy Discrimination



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- Civil Rights Act
 - Age Discrimination Act
- Performance Management
 - Disciplinary
 - Grievances
- Policies & Procedures
 - Employee records
 - Confirm that employees have signed off on understanding policies.
 - D&O policy, everyone needs to understand the code of conduct
- Workplace Safety
 - OSHA compliance
 - Workers' compensation
 - Health & Wellness benefits
- **WCRI: Predictors Of Worker Outcomes – 2015**
 - Injured in 2010 and 2011 and interviewed in 2013 and 2014
 - Had more than 7 days of lost time
 - Interviewed nearly 4,800 injured workers in 12 states
 - **Education – Not working at interview**
 - 22% - No high school degree
 - 15% - high school degree
 - 12% - some college
 - 11% - college degree
 - Due to Injury or Not?
 - 150% not working for some other factor than injury
 - 47% of 55 & Older Not Working; 60% not from injury
 - 18% of 15-24; 100% not from injury
 - **Fear of Being Fired**
 - 23% Strong Agree
 - 2-3x more likely to not be working 3 years later
 - 50% longer disability in weeks
 - 5x to report 'earning a lot less'
 - 2.5x more likely 'very dissatisfied with care'



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- Higher Litigation Rates
 - Disagree – 3%
 - Strongly Agree – 22%
- **Comorbidities**
 - Pre-existing conditions
- **English language proficiency**
 - 1.5x more likely big problems health care system
 - 1.5x more likely 'very dissatisfied with care'
 - Telephonic translator – respect culture & dialect
 - <http://cyracom.com>
- **Other factors: Lower job tenure less likely to RTW**
 - 1 year slightly more likely to be working
- **EEO1 Report**
 - Mandatory annual data collection
 - Mandatory, but No fines for not submitting
 - All private sector employers w/ > 100 employees & federal contractors > 50 employee
 - Report by establishment, one report for each
 - Same as OSHA reporting
 - Submit demographic workforce data, including data by race/ethnicity, gender, and job categories
 - Executives Count
 - Managers Count
 - Professionals Count
 - Technicians Count
 - Sales Workers Count
 - Admin Support Count
 - Craft Workers Count
 - Operative Workers Count
 - Laborer - Helpers Count
 - Service Workers Count
 - Handicapped Employees
 - Self-reported by the employee



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- Or anonymous survey to employees
 - Collect during the onboarding process and store in HR system
- “I’ve been discriminated against”
 - Equal Pay Laws:
 - Promotion rates by category, by gender
 - Starting pay
 - Merit raises
 - Looking for systemic discrimination
 - Termination
 - Reasonable Accommodation
 - 2020: EEOC 67,448 charges of discrimination; \$439.2 million for victims of discrimination
- OSHA Compliance
 - OSH Act of 1970
 - assure safe and healthful working conditions
 - furnish a place of employment that is free from recognized hazards
 - 2 Primary Elements
 - Hazard control & training
 - Documentation
 - Documentation of hazard control & training
 - Documentation of recordable injuries
 - OSHA 300, 300A, 301 forms
 - OSHA Data
 - Job Titles
 - TRIR
 - DART
 - Days Away
 - Severity Rate
 - Lost Workdays Rate



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- Employee Census Report
 - Used by actuaries in Employee Benefits planning & pricing
 - Health insurance
 - Employee benefits
 - 401(k) participation
 - Census information
 - Name
 - Age or date of birth
 - Date of Hire
 - Number of dependents
 - Zip code
- SOC Audit – SOC 1, SOC 2, SOC 3
 - Services & Organizational Controls – AICPA
 - Required by insurance companies, public entities, large companies to show evidence of controls
 - **SOC 1: Report on Controls at a Service Organization Relevant to User Entities' Internal Control over Financial Reporting (ICFR)**
 - **SOC 2: Report on Controls at a Service Organization Relevant to Security, Availability, Processing Integrity, Confidentiality or Privacy**
 - Oversight of the organization
 - Vendor management programs
 - Internal corporate governance and risk management processes
 - Regulatory oversight
 - SOC 3 Trust Services Criteria for General Use Report
 - SOC 2 w/o depth
 - do not have the need for or the knowledge necessary to make effective use of a SOC 2® Report. Because they are general use reports, SOC 3® reports can be freely distributed.
 - Risk Disclosure Report
 - Written by senior person in company, signed off by CEO and CFO
 - Disclose material risks to an organization
 - Oil rig with high rates of retirement, running out of staff to run the oil rigs for drilling



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Main Point #2: Staff Capacity & Management

- Staffing Capacity:
 - Post-covid world
 - The Great Resignation
 - Make up of FTE calculation
 - how likely to get hurt?
 - How likely to retire
 - Work Days Count
 - Work Hours Count
 - Staffing Capacity Insights:
 - EEO1 Report – Job Categories
 - How many craft workers do I need?
 - How many laborers do I need?
 - How many sale people do I need?
 - How much administrative support?
 - Are my senior executives about to retire?
 - Makeup & Capacity of current workforce
 - Total employee count
 - Union members count
 - *Employee Retirement Count*
 - *Employee Separations Count*
 - *Employee Furlough Count*
 - Leave of Absence Count
 - New Employee Hire Count
 - New Employee Re-Hire Count
 - Contractors Count
 - Overtime Hours Count
 - Exempt vs Non-Exempt Count
 - FLSA laws
 - Salary vs hourly overtime eligible
 - Impacts:
 - Working conditions



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- Recruiting & retention
 - Stress & Anxiety
 - Mental Health
 - Production quality
 - Safety
 - Cost of workers' comp claims
- Gallop poll, American workers who were surveyed showed:
 - 30% 'actively engaged'
 - 48% fewer accidents, 65% less turnover
 - 52% are 'not engaged'
 - Work mainly for paycheck
 - 18% 'actively disengaged'
 - purposely take actions to negatively impact organization
- **Is it worth it for your employees to work for you?**
- **Is it worth for you to employ your employees?**
- Staff Management
 - OSHA - Bureau of Labor Statistics Occupation codes
 - **Structured System to Overall Org Chart Down to Individual Level**
 - Standard Occupational Classification (SOC) - SOC 2018 system
 - 23 major groups
 - 98 minor groups
 - 459 broad occupations
 - 867 detailed occupations
 - Similar skills grouped four levels of hierarchy
 - Carpet Installer 47-2041
 - 47 – Construction
 - 47-2 Construction Trade Worker
 - 47-204 – Carpet, floor, and tile installers and finishers
 - 47-2041 – Carpet Installer
 - Consistency in Job Titles, Job Descriptions and Job Demands



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- **Job descriptions & job demands are validated**
- **Don't want 10 different job descriptions/job demands for Carpet Installer**
 - How many job descriptions do I need per occupation?
 - Attract people
 - Retain people
 - Understand physical demands
 - Protect for RTW, Reasonable Accommodation, Hiring, Fair Pay, Discrimination law suits
- **Injury Data Insights:** Tie Injury Data (Loss Run & OSHA) back to Org Structure & Company Design
 - OSHA, Loss Run, EEO1, Census
 - % of injuries by category
 - Injury trends
 - Safety controls
 - Safety training
 - Hiring – By Occupation & Job Title
 - physically capable
 - comorbidities
 - job descriptions & valid job demands
 - National origin – English language proficiency
 - Education level – Job Category
 - Tenure
 - Training & Development
 - WC Communication
 - Policies
 - Supervisor Training
 - Return to Work
 - ADA Compliance
 - High Impact Claims
 - Creeping Catastrophic & Litigated Claims



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Main Point #3: Staff Engagement

- Staff Engagement
 - HR Definition: Maximize the productivity of an organization by optimizing the effectiveness of its employees.
 - Employee engagement:
 - Vision / Mission / Values / Purpose for organization
 - Employees set up for success:
 - Clear job description
 - Mentally & physically capable to succeed
 - Physical testing
 - Mental health support
 - Properly trained to perform job duties
 - Health assessments
 - Safe work environment
 - Safety training
 - Safety controls
 - Support & Benefits
 - Employee wellness participation
 - 401(k) participation
 - Employee benefits participation
 - Communication
 - Employee policies
 - Post injury communications
 - At the individual employee level
- An engaged staff is a productive and effective staff
 - Coordinated injury data is indicator of structural company improvements at the c-suite board level that can drive company success.